



KEM ONE



2024 CSR REPORT

ABOUT KEM ONE

A leading player in the French chemical industry, the company specialises in salt extraction and the manufacture of chlorine, caustic soda, polyvinyl chloride (PVC) and chlorine derivatives. It is also France's leading producer of low-carbon hydrogen.

95% of its production takes place in France

at its industrial sites (Balan, Berre, Fos-sur-Mer, Lavéra, Saint-Auban, Saint-Fons and Vauvert). It also has a plant in Hernani (Spain).

Thanks to this geographical base, it offers

PVC manufactured using low-carbon electricity, which emits fewer greenhouse gases.

Kem One has nearly **1,500 employees** at its industrial sites, its head office in Lyon, its R&D laboratories and its

sales offices in Italy, Spain and Turkey.

As a responsible company, Kem One is sustainably integrated in the regions where it is established.

Its purpose is to: **offer essential, sustainable products derived from salt chemistry while protecting resources and the climate a little more each day.**

It puts its technical and energy performance to work for its customers and is committed to innovation in order to meet the challenges of **effective and sustainable industrial development.**

KEM ONE Sites

Kem One's head office and industrial sites are located in the south of France and in Spain.



Kem One has had its environmental, ethical and social commitments assessed by Ecovadis, the independent organisation behind a global CSR rating standard, alongside more than 90,000 other companies.

2023 score: 77/100
Ecovadis GOLD category
(3 points higher than 2022),

Kem One has significantly improved its rating and is now in the top 2% of companies.

“*Strengthening our commitments in the face of environmental challenges to lead the vinyl industry in decarbonisation and protect our environment*”



Paolo Barbieri
CEO of Kem One

Faced with the climatic and environmental challenges before us, Kem One has a strong ambition to be recognised as a benchmark in the vinyl industry in terms of carbon emissions, environmental protection and innovation in the sustainable development of our products. Our values are safety, being stronger together, the desire to excel, a sense of partnership and respect for people and the environment.

Kem One faces many challenges: fighting climate change, managing resources optimally and thinking about the sustainable future of PVC. These are at the heart of our corporate strategy and decisions.

To structure our efforts, in early 2024 we announced our ambitious and innovative CSR strategy for 2030. It was developed collaboratively, involving more than 200 internal and external stakeholders.

It is based on five pillars aimed at promoting the safety and well-being of our employees and partners, offering more sustainable products and services to prepare for the future, producing in an environmentally friendly way to reduce our footprint and collaborating responsibly to contribute to change. The fifth pillar, responsible governance, is a prerequisite. Our CSR strategy is supplemented by a carbon policy and an environmental policy that precisely define our objectives and roadmap.

Our employees rally together, get involved and innovate to develop tomorrow's Kem One today!

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ACTING FOR A SAFE AND CARING WORKPLACE FOR OUR EMPLOYEES AND PARTNERS



KEM ONE GUARANTEES ITS EMPLOYEES AND PARTNERS A SAFE AND SUITABLE WORKING ENVIRONMENT

2030 targets

■ PERSONAL SAFETY:

TRIR < 0.8

■ PROCESS SAFETY:

0 major accidents

A REVISED SAFETY ROADMAP TO RAISE STANDARDS

The safety roadmap has been developed to specify requirements and add new ones based on the following five pillars: leadership, team involvement, day-to-day safety, subcontractor management and process safety. This has enabled us to identify a priority action plan for each site and at head office.



On 6 June 2024, more than 1,000 employees and subcontractors got involved in safety issues during Safety Day.

“First and foremost, I would like to thank you for your commitment during the company’s second Safety Day, during which we were once again able to appreciate Kem One’s remarkable spirit of collective commitment. This type of event unites us around the company’s priority issue and helps us to raise our level of knowledge and standards in this area together,” explained Paolo Barbieri. This was an opportunity to hand out the new Kem One safety booklet to all employees.

Key figures

18

Incidents reported
in 2023
(31 in 2022)

5.3

Personal safety
Total recordable incident rate (TRIR) — number of incidents/1,000,000 hours worked in 2023

2,450

Managerial safety inspections carried out in 2023 — 99% of target achieved

2

Process safety
Loss of containment frequency rate — 200,000 hours worked by the end of 2023

KEM ONE HERNANI RECEIVES FEIQUE SAFETY AWARD

On 6 June 2024, the Spanish Chemical Industry Federation awarded the Kem One Hernani site the Feique safety award for the fourth time, for 2023.

“This recognition testifies to our commitment and our high standards in terms of health and safety in the workplace. It’s a value that we strive to put into practice every day, and everyone’s commitment is essential to ensure that no one gets hurt,” said Jon Ezkerra, HSE Manager at the Hernani site.





KEM ONE WORKS TO IMPROVE DIVERSITY, EQUITY AND INCLUSION

2030 targets

- **WORKPLACE EQUALITY:**
40% women among executives and members of management bodies, maintaining the gender equality index at over 90/100
- **HR POLICY** including diversity, inclusion, parenthood, quality of life and working conditions and employee benefits

DIVERSITY CHARTER

In June 2024, **Kem One made a commitment to diversity by signing the Diversity Charter** in a proactive approach to promote diversity in all its aspects and go beyond the legal requirements of the fight against discrimination.



DEPLOYMENT OF MANAGEMENT PRINCIPLES

Kem One's Five Management Principles were rolled out to managers at the beginning of 2024 to provide them with better guidance in leading their teams. These principles are: embodying Kem One's social and environmental responsibility, managing performance, team commitment, managing transformation and collaboration, which are illustrated in a set of behaviours and actions to be observed on a daily basis.

Key figures

72%

Positive perception expressed about Kem One by employees in an internal survey in May 2023

92

Workplace gender equality index in 2023

149

Recruitment on permanent contracts in 2023

6.16%

Employment rate of people with disabilities in 2023

6.45%

Work-study placements in 2023, i.e. 90 people



KEM ONE TAKES ACTION FOR GENDER EQUALITY

Gender equality in the workplace and the promotion of gender diversity in its technical professions are an integral part of the company's policy:

- ▣ Non-discrimination policy at recruitment and throughout careers
- ▣ Respecting the principle of equality in terms of pay and career development. 2023 workplace gender equality index: 92/100
- ▣ More women in positions of responsibility
- ▣ Taking parenthood and the work-life balance into account (crèche places, etc.)
- ▣ Combating sexual harassment and sexism
- ▣ Changing attitudes and practices through awareness-raising initiatives



KEM ONE GETS ITS TEAMS INVOLVED IN CSR ISSUES

2030 targets

- **CSR TRAINING:**
100% of employees trained on CSR (Climate Academy, for example)
- **CSR TARGETS** defined for over 90% of employees
- **CSR INNOVATION:**
20% of Research & Innovation team time devoted to breakthrough innovation to improve the environmental footprint of processes/products

KEM ONE ROLLS OUT ITS CLIMATE ACADEMY

Kem One raises awareness among its employees and enables them to gain a better understanding of climate and environmental issues and to take action to incorporate sustainable practices in their business lines. Over four hours of training in the form of short films and quizzes!



Key figures

34,617

Number of training hours (i.e. an average of 25 hours per person) in 2023, or 4.9% of the total wage bill



14%

of employees started the **Kem One Climate Academy** between March and June 2024

21

CSR leaders and local CSR ambassadors at Kem One, responsible for developing and deploying the CSR strategy within their scope and coordinating awareness-raising and training initiatives



OFFERING MORE SUSTAINABLE PRODUCTS AND SERVICES TO BUILD OUR FUTURE



KEM ONE ECO-DESIGNS ITS PRODUCTS TO REDUCE ITS IMPACT

2030 targets

■ SUSTAINABLE OFFERING:

at least 25% of sales volumes covered by a sustainable range (recycled, low-carbon, bio-attributed, etc.), 100% of product applications classified according to their CSR impact

■ PRODUCT ECO-DESIGN:

100% of new products incorporate an environmental assessment, a minimum of 80% of new products/services developed contribute positively to the environmental footprint

■ PACKAGING ECO-DESIGN:

100% eco-designed packaging

KEMAIA: A NEW RANGE OF PRODUCTS

In April 2024, Kem One launched KEMAIA, a new range of PVC and chlorinated derivatives with an improved carbon footprint to meet customer expectations for more sustainable products. KEMAIA already includes several product categories such as bio-attributed PVC or recycled PVC, like the ReMPVC grade, produced from pre-consumer PVC waste. New products, such as caustic soda with a reduced environmental footprint and bio-attributed chloromethanes, are on the way.

Ensuring the traceability of products containing sustainable raw materials, whether of plant origin or derived from recycling, is essential to the development of the KEMAIA range.

With this in mind, Kem One has chosen to certify all its production sites to ISCC PLUS. This certification makes it possible to control the traceability of sustainable raw materials and their use in the end products that Kem One markets using the 'mass balance' approach.

KEMAIA is the merger of "Kem One" and 'Gaia', the Earth. Its logo reflects this association between the company and environmental issues.



Key figures

100%

Environmental impact assessment new Research & Innovation projects (2024)

30%

Recycled raw materials in big bags packaging PVC resins by the end of 2025

350 tonnes

of recycled raw materials incorporated into FFS bags per year from 2025 onwards

20%

less thick stretch film for pallet protection since June 2024, thanks to eco-design work



THE REFRIGERANTS OF THE FUTURE

Kem One markets carbon tetrachloride, an essential intermediate in the manufacture of new generations of low-GWP (Global Warming Potential) refrigerants.

ASSESSING THE ENVIRONMENTAL IMPACT OF NEW RESEARCH PROJECTS

The Research and Innovation Department **is committed to assessing the environmental impact** of all its new research projects, based on the pillars of life cycle analysis: raw materials, manufacturing, transport and distribution, use and end of life.



KEM ONE TAKES ACTION ON ITS CUSTOMERS' ENVIRONMENTAL IMPACT

2030 targets

■ RECYCLING:

the first PVC company to offer recycled PVC thanks to advanced recycling on an industrial scale

■ CUSTOMER SUPPORT:

technical assistance in Research & Innovation to help customers reduce the environmental impact of their products

AN INNOVATIVE END-OF-LIFE PVC RECYCLING PROJECT

After several years of experimentation and development, **Kem One is continuing its search for a solution for recycling end-of-life PVC by investing in a pilot unit at the Saint-Fons site.** This is the first step outside the laboratory to refine the process. The aim is to extract currently banned additives such as heavy metals by selective dissolution. This project has been selected by ADEME, the French Environment and Energy Management Agency, as part of the France 2030 future investment plan.



KEM ONE PARTNERS WITH ITS SUPPLIERS TO IMPROVE IMPACT THROUGHOUT THE VALUE CHAIN

2030 targets

■ SOURCING:

inclusion of CSR criteria when selecting suppliers and assessing their commitments

■ LOGISTICS:

FRET21 Label certified: proactive commitment aiming to better incorporate the environmental impact of transport

SIGNING OF THE SUSTAINABLE PROCUREMENT AND SUPPLIER RELATIONS CHARTER

In June 2024, **Kem One signed the Sustainable Procurement and Supplier Relations Charter** aimed at adopting responsible practices with regard to its suppliers. Through its ten commitments to responsible sourcing, the charter helps to build a balanced and sustainable relationship between signatory organisations and their suppliers, in the knowledge and respect of the respective rights and duties of each party.

Charte 
RELATIONS FOURNISSEURS
ET ACHATS RESPONSABLES

Sustainable Procurement
and Supplier Relations
Charter



ACHIEVING THE OBJECTIVES OF THE FRET 21 CHARTER

As part of the FRET 21 Charter, via the EVE programme, **Kem One made a commitment to reduce CO₂ emissions linked to the transport of its goods over three years.**

By the end of 2023, the commitment had been met, with an effective 9.3% reduction in emissions thanks to actions to optimise river transport and loading rates, modal shift where possible and alternative fuels, in addition to its two new hybrid barges, which will save 2,000 tonnes of CO₂ equivalent per year. Kem One is pursuing its commitment to continuous improvement with **the desire to obtain FRET 21 certification by 2030.**

Key figures

50%

of purchasing expenditure covered by CSR assessments by the end of 2024

734

Suppliers signatory to the Kem One Supplier Charter (70% of suppliers surveyed) by June 2024

9.3%

Reduced CO₂ emissions from carriers (2020-2023) following the work on the FRET 21 Charter

85%

of the value of purchases of goods and services purchased in 2023 from suppliers based in France



MANUFACTURING RESPONSIBLY TO REDUCE OUR ENVIRONMENTAL FOOTPRINT



KEM ONE, A LEADER IN DECARBONISING ITS PRODUCTION

2030 targets

- **40% REDUCTION IN GHG EMISSIONS**
in scopes 1 and 2 by 2030 compared
with 2019 in absolute terms
(GHG — GREENHOUSE GASES)
- **TRAJECTORY OF CONTRIBUTION
TO CARBON NEUTRALITY**
approved by scientists (SBTi — Science
BASED TARGETS INITIATIVE)

GAS-HYDROGEN DUAL-COMBUSTION PROJECT

To further decarbonise its business and make the most of its **‘low-carbon’** electrolytic hydrogen, Kem One’s Fos-sur-Mer site has carried out a project to replace the burner of its thermal oxidiser in the vents. Until now, this thermal oxidiser has operated exclusively with natural gas. The new dual-fuel burner can be fuelled by a hydrogen/natural gas mix, reducing natural gas consumption and the associated CO₂ emissions by at least 2,500 tCO₂/year.

SBTi

Between now and 2025, Kem One wants to validate its decarbonisation trajectory against the SBTi (SCIENCE-BASED TARGETS initiative) benchmark and thus ensure that its greenhouse gas reduction targets are in line with the Paris Agreement objectives for limiting global warming. This work is carried out by Kem One’s carbon network, made up of representatives from the sites and departments, whose mission is to implement decarbonisation projects and share best practice and technical solutions.

Key figures

NO. 1
producer of low-carbon
hydrogen in France
(11,500 tonnes)

38,000 t
OF CO₂
avoided in 2023 thanks
to hydrogen combustion
at Kem One sites



ELYSE PROJECT

The Elyse project at the Fos-sur-Mer site aims to replace the diaphragm electrolysis process for the production of caustic soda, chlorine and hydrogen with the latest generation of membrane electrolysis. Work is continuing, with commissioning scheduled for the end of 2024. It will improve the site’s energy performance and make a major contribution to reducing Kem One’s CO₂ emissions by almost 50,000 tonnes a year.

This project was financed
by the government as part
of the “France Relance” plan.





KEM ONE IS REDUCING ITS ENVIRONMENTAL FOOTPRINT AND PROMOTES THE CIRCULAR ECONOMY

2030 targets

■ ENVIRONMENTAL POLICY

■ IT:

- 100% of new equipment purchased reconditioned by 2024,
- 100% of new IT solutions eco-designed

ENVIRONMENT AND CLIMATE POLICY

As the result of a collaborative effort, the policy is based on **five key areas** which are water (reduction of water abstraction and recycling), air (reduction of volatile organic compound emissions), the circular economy (recycling, reuse of waste, circularity), biodiversity (objective of zero loss of plastic granules and reduction of pressure) and the climate (reduction of greenhouse gas emissions) for which quantified objectives have been defined, in line with the UN Sustainable Development Goals.



WATER



AIR



CIRCULAR ECONOMY



BIODIVERSITY



CLIMATE



WATER MANAGEMENT

Kem One reduced its water consumption by 18% between 2019 and 2023 thanks to improved metering and the implementation of good practice combined with investment.

In 2023, only 40% of the volume of water taken by Kem One was consumed in production processes. Kem One is continuing its efforts and developments, in recycling for example, **to continue to reduce the amount of water it uses and preserve this resource as much as possible.**

In August 2023, the Balan site received a visit from three government ministers to highlight the industry's efforts to reduce water consumption, as part of the Water Plan, and to affirm the government's commitment to supporting 50 industrial sites, including the Balan plant. The research and process-teams are working hard to develop technologies for recycling polymerisation water in order to further support the ambitions of the Kem One sites.



REFURBISHED IT EQUIPMENT!

80% of the carbon footprint of IT equipment is linked to its manufacture. Kem One currently uses **more than 1,550 items of reconditioned equipment**, from PCs and smartphones to some of its servers. A study has been launched with a service provider to quantify the environmental impact of servers in the cloud, according to their location and the use of data centres and IT equipment.

Key figures

100%

Kem One sites
ISO 14001, 9001, 45001,
50001 **certified**

68%

Hazardous and non-hazardous **waste** recovered in 2023



18%

less water abstraction
in 2023 vs 2019
in absolute terms



KEM ONE INCLUDES CSR IN ITS DECISION-MAKING PROCESSES

2030 targets

■ INCORPORATING CSR INTO DECISIONS

100% of investment applications include a CSR assessment

■ FINANCING THE IMPACT:

internal carbon fund to steer financing towards a positive impact



COLLABORATING WITH STAKEHOLDERS TO ACCELERATE CHANGE



KEM ONE IS COMMITTED TO ETHICAL BUSINESS PRACTICES

2030 targets

- **TRAINING:**
100% of employees trained on business ethics
- **CREATION OF A COMPLIANCE COMMITTEE**
from 2024 to monitor the management of ethical issues

RAISING AWARENESS OF THE FIGHT AGAINST CORRUPTION

In December 2023, a poster and intranet information campaign was carried out at all sites to remind people of the best practices of the gifts policy in force on World Anti-Corruption Day.



KEM ONE DEMONSTRATES TRANSPARENCY ON SUSTAINABILITY ISSUES

2030 targets

- **TRANSPARENT COMMUNICATION**
on carbon footprint data from 2024
- **UNIVERSITY PARTNERSHIP**
to support education and research into climate issues
- **ADVANCING CSR**
within our industry: speeches, participation in working groups, etc.

Key figures for 2023

82%

Target staff trained in the fight against corruption and influence peddling

800

People trained with a new cybersecurity module out of a workforce of 1,500



RESPONSIBLE CARE® AWARDS 2023



SAFE AND SUSTAINABLE OPERATIONS

Responsible Care

CEFIC

CEFIC EUROPEAN PRIZE

In October 2023, Kem One **won the European Chemical Industry Council CEFIC's European 'Responsible Care 2023' award** in the 'safe and sustainable operations' category in which it competed against 19 other organisations.



CARBON FOOTPRINT OF KEM ONE PRODUCTS

In-depth work during 2023 enabled us to establish the CRADLE-TO-GATE carbon footprint of the vast majority of products marketed by Kem One. 73 technical data sheets, in standard and bio-attributed versions, are available to customers for the entire product range.

The figures provided have been approved by Apave. Market demand is strong when you consider that in the PVC processing industry, raw materials account for between 60% and 80% of customers' total carbon footprint.

Key figure

73

Number of Product Technical Data Sheets
with Cradle-to-Gate carbon footprint

KEM ONE INVOLVED ALONGSIDE PROFESSIONAL FEDERATIONS

As a member of ECVm, the European Council of PVC Manufacturers, **Kem One is an active participant in VinylPlus®, the European PVC industry's commitment to sustainable development**, the aim of which is to improve the lifespan and recycling of PVC products and their contribution to a sustainable society. Kem One is involved in several multi-stakeholder working groups on the 'Responsible Care' approach within the association France Chimie, and is also a member of AXELERA, the Chemistry and Environment competitiveness cluster in the AURA region, which brings people together to work on sustainable development in the regions.

In 2024, Kem One joined the UN Global Compact and the Collège des Directeurs Développement Durable C3D (Sustainability Directors' Association), the benchmark association for transforming business models in a way that respects planetary limits and is socially responsible.

To support the development of technical expertise, a member of the Group's industrial management team chairs Interfora, the training centre for the chemical and process industries.



KEM ONE GETS INVOLVED ALONGSIDE ITS LOCAL COMMUNITIES

2030 targets

- **LOCAL PHILANTHROPY:**
call for philanthropic projects for all employees
- **GLOBAL PHILANTHROPY:**
Kem One supports NGOs in the fight against climate change
- **CREATION OF A CLIMATE FUND**
to accelerate climate change mitigation



The company of possibilities

KEM ONE COMMITTED TO LOCAL ASSOCIATIONS

Kem One's head office is continuing its work with the Entreprise des Possibles endowment fund to help those who are most disadvantaged. Thanks to employee donations, toys were collected in November 2023 and three employees distributed them to an emergency shelter in Tas-sin near Lyon, on behalf of the association Habitat Humanisme.

The Kem One site in Balan set up a €4,000 call for projects to support non-profit associations in which Kem One employees are involved, in areas such as inclusion or the sustainable professional integration of people in difficulty in the local area.

Key figure

€500

donated to charity each time an employee is co-opted
during external recruitment processes — the bonus is doubled when disabled people are recruited





KEM ONE

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S.A.S (simplified joint-stock company)
with share capital of 98,025,001 euros
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